

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

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Business Broadband Marketplace

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WC Docket No. 10-188

**THE VAST MAJORITY OF SMALL BUSINESSES ARE EXCLUDED FROM THE
BROADBAND AGENDA**

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THE VAST MAJORITY OF SMALL BUSINESSES ARE EXCLUDED FROM THE BROADBAND AGENDA

On behalf of the National Asian American Coalition (formerly incorporated as the Mabuhay Alliance), we congratulate Chairman Genachowski and the FCC commissioners for taking further steps to advance the FCC small business broadband agenda. Unfortunately, top Silicon Valley companies such as eBay, do not reach America's 24 million small businesses. In particular, they do not reach the almost two million Asian American owned businesses, which are growing at a rate more than three times the rate, according to the US Census, of white male owned small businesses (44 percent increase from 2002 to 2007 for Asian American owned small businesses versus 13 percent for white male owned small businesses).

The 24 million small businesses, the vast majority of which are micro businesses with five or fewer employees, are rarely, if ever assisted by a broadband agenda, created and driven by large corporations and what the SBA refers to as small businesses (500 or fewer employees even if they gross 100 million dollars or more).

These small businesses, including the 98 percent of Asian American owned businesses in this category, have no personnel available to file comments or immerse themselves in the complexities as to the future of broadband. However, these businesses will be disproportionately affected by any National Broadband Plan.

As President Obama has recognized, the US Chamber of Commerce does not speak for small businesses and, in particular, does not speak for and is generally aligned against the interests of micro businesses.

Ordinarily, we would suggest a partnership with the SBA might be an appropriate way to reach these 24 million truly small businesses and the 98 percent of Asian American owned businesses included in this definition. But there is growing suspicion that the SBA is more focused on large small businesses, if not large businesses. See, for example, past scandals relating to a large percentage of SBA lending awarded to Fortune 500 corporations. Or consider the present criticized focus of the SBA on increasing the maximum loan size from two million dollars to five million dollars, rather than focusing on the borrowing needs of the 98 percent of businesses that need loans of one million dollars or less.

Suggestions to Include 24 Million Truly Small Businesses

The National Asian American Coalition is prepared to work with the FCC staff in developing seminars in five or more cities across the nation where there are large Asian American populations to bring together Asian American owned businesses. At these seminars, the FCC and other experts, along with community groups, can explain their important stake in the new broadband revolution.

We are also prepared to have these seminars expanded to include all minorities and/or all micro businesses. For example, we are prepared to work with Black and Latino business groups, such as the Black Economic Council and the Latino Business Chamber of Greater LA, both of whom have previously intervened in net neutrality and Comcast issues. We are also prepared to work

with leading micro business organizations, such as California's leading group, known as CAMEO, which works closely with small minority businesses.

For Asian Americans, the five best cities would be Los Angeles and the Bay Area (Silicon Valley, California), New York City/New Jersey, Chicago and Atlanta. Should the FCC be interested, we will consult with Black, Latino and micro business associations, such as CAMEO, on other possible sites and as to agenda items.

One specific suggestion we have is that up to ten thousand (10,000) truly small businesses (five or under employees) be provided (through a relationship with technology companies, such as Google), with the most updated broadband services available at a minimal cost. This will help educate hundreds of thousands of small businesses as to the advantages of specialized high capacity services and may be the most effective form of education available. Given the benefits to Silicon Valley companies of such education and demand for their product and services, we would assume that they would bear their cost. We would suggest a minimum of one thousand Asian American owned small businesses out of the ten thousand small businesses.¹

As to the specifics set forth in the public notice on the business broadband marketplace, we believe it is premature for our organization after these seminars, without substantial contacts with small Asian American small businesses, to comment on specifics, such as what transmission services or types of technologies are used in the business broadband marketplace or what other trends in the business broadband marketplace with respect to the four categories set forth in the public notice.

Conclusion

The Asian American small business community, which is part of a larger 24 million truly small businesses, must be part of the business broadband marketplace and new technologies. But, the FCC and technology companies must play a far larger role in educating these 24 million truly small businesses. The National Asian American Coalition, with offices in Washington DC and throughout California, is pledged to be of assistance but does not have the expertise or the resources to do so without the assistance of the FCC and technology companies.

Respectfully submitted,

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October 14, 2010

¹ See highly successful US Agriculture Department experiment in agriculture innovation in the 1930s with an elite group of one percent (1%) of farmers whose success story would then be conveyed to other farmers.